The A. F. of L. Weekly News Service gives a brief summary of important matters affecting labor, occurring in the industrial, legislative and judicial fields, and such other matters that will benefit the trade union movement.

AMERICAN FEDERATION OF LABOR

WEEKLY NEWS SERVICE

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AGITATE! EDUCATE! ORGANIZE!

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COURTS GUARD PROPERTY; IGNORE WORKERS' RIGHTS

The United States supreme court has ruled that the federal trade commission can not examine the books of the American tobacco company to make a case against it.

The court opposes a "fishing expedition" into the corporation's papers in the hope that criminal action may be exposed. The court said:

"Common justice would seem to demand that before the business methods pursued by a corporation or an individual should be investigated, the party should be apprised either by a formal order or by notice of the extent of the proposed investigation, in order that a day in court may be accorded.

"This is essential to determining whether the commission is acting within its jurisdiction and to meet the charges preferred."

This solicitous regard for the rights of property is in startling contrast to the disregard of the rights of human beings when workers are arrested, fined and jailed by an injunction judge.

Then there is no demand that workers "have their day in court," or that "specific charges" be filed against them.

Under the equity process courts issue orders that were never intended to apply to personal relations or human rights.

The law protects the meanest criminal in his right to be considered innocent until proven guilty.

The United States supreme court now throws its protecting arm around the books of corporations. These must not be touched until specific charges are filed, says the court.

But note what happens when an employer's attorney tells an equity judge his injunction is being violated.

Workers are arrested en bloc. Every right is swept from them. They are at the mercy of the injunction judge, who calls on them to "show cause why they should not be punished for contempt."

That is what the court says, but this is what the court means:

"I consider you guilty of violating my injunction. If you can not prove to my satisfaction that you did not violate it I will sentence you to jail."

There is no law the court rule to guide the injunction judge. There is no trial by jury. The worker is not presumed to be innocent, and the judge is privileged to give full sweep to his economic prejudices and class hates.

An act that is legal when no strike exists is a base conspiracy in the eyes of an injunction judge when workers are forced on strike to raise their living standard.

What would happen to that judge if he took this position with a horse thief or with a corporation charged with monopolistic practices?

The question answers itself.

When workers demand the same treatment accorded that horse thief or corporation, they are accused of "wanting to violate the law."

The labor injunction undermines our entire system of government.

It is revolutionary; it is cowardly and unfair.

Under it a judge not only usurps power, but he corrodes the popular mind to defiance and insurgency.

The labor injunction has no place in the life of America. Workers will agitate against it until an enlightened public opinion drives it into oblivion.

Worker Invests His Life; Boss Invests His Money

New York, March 29.—"The union has a bigger stake in the garment industry as a whole than any other union in the trade," said Morris Sigman, president of the International Ladies' Garment Workers' union, in ursing employers to accept the union's plan to reform that industry.

In explaining why the union has a greater interest in the industry than anyone else, President Sigman said:

"The manufacturer and jobber have only their money invested. If the industry goes bad they can get into another one. But the workers has his life invested. If the only industry in which he is a skillful worker goes bad, his means of livelihood is gone."

It is because the union wants the industry to be a healthy one is the reason the manufacturer is asked to aid the workers in removing onerous conditions, said the union official.

"An industry that is rapidly being disintegrated; that is being disgraced; that is driven into a mad and unsuccessful scramble for money; that finds the quality of its product constantly growing worse, is a bad industry for a man to labor in," said President Sigman.

ANGRY AT CONGRESS; WANT PROBES ENDED

New York, March 29.—The New York Times, that good old defender of things that are, is enraged because congress does not end its numerous probes.

The Times quotes unnamed "many citizens" who fear that congress and even government itself is breaking down.

"It is astonishing from what numbers one hears the assertion that democracy is a failure and that representative institutions are rapidly going to the dogs," said the Times.

After this is unconsciously impressed on the minds of those who neglect to think, the Times assumes a "calm-yourself" attitude and assures its readers that congress may yet pull itself together." That means that congress should call off the probers and make harmless speeches for home consumption while grafters in high places escape and while the nation's natural resources are handed to private exploiters.

LOSES STOP-WATCH FIGHT

Washington, March 29.—While the house was considering the $2,000,000 appropriation bill, Congressman Blanton used every parliamentary device to legalize the stop-watch and speeding up methods in the naval establishments and arsenals of the country.

These methods are so thoroughly discredited, and so well understood by members of congress that the Texas representative was the only one who favored the sweating methods.

BRICKLAYERS UNITE

Charlotte, N. C., March 29.—Bricklayers and masons in this city have organized and are affiliated with the trade-union movement.

PLASTERERS RAISE WAGES

Topeka, Kan., March 29.—Organized plasterers in this city have raised wages $1 a day.

AS A PROPHET GARY MAKES POOR SHOWING

New York, March 29.—Judge Gary is a "best" when it comes to the realm of prophecy. But a few months ago he declared short hours would wreck the steel trade. Now the steel trade's record profits under the system he bet recently denounced.

Late in December, 1923, Judge Gary publicly stated: "I would like to see an eight-hour day in general effect throughout the country, but we do not intend to wreck the industry, and that is what would happen if we adopted it."

In reply to this woeful prophecy, the New York World says:

"Behold now the wreckage of the world's greatest industrial corporation! It is Mr. Gary himself who paints the black picture. Gross business amounted to $1,571,414,483, the largest for any peace year, save 1920 under inflated war prices. It is a gain of nearly $500,000,000 over the preceding year of doleful prophecy. But how about earnings, how about expenses? That's where the wrecking was to come in from the great increase in number of workers now necessitated by the chance, and in wages to be paid.

"Yet it appears that these earnings are proportionately even more phenomenal. They sufficed to pay all charges and the vengeful dividends of 7 per cent. They then equalled $16.43 a share on the common stock of $506,302,500, as compared with only $2.84 a share in the year of prophecy, and $2.24 in the year before that.

"The past is secure for whatever it was. So is Mr. Gary's prophecy, whose ridiculous shortage of fulfillment also remains secure to confound industrialists given to figuring up profits on the basis of treating labor as a bloodless commodity."

CHILD LIFE PROTECTION INDORSED BY GOMPERS

Washington, March 29.—Organized labor's approval of the May day child health program of the American child health association is announced by President Gompers in a letter to that organization.

In an earlier letter President Gompers, "that the organized wage workers will gladly do their full share in support of the work undertaken by your organization. It is one of the first concerns of the trade union movement that there shall be conditions established which make possible the proper care and development of child life, and any additional effort in that direction is to be welcomed and encouraged."

COMBINES ON INCREASE

Washington, March 29.—The great size of industrial organizations and the various kinds of combines is one of the most powerful evils of today, said Houston Thompson of the federal trade commission, in a speech in this city.

The phrase, 'more business in government and less government in business,' may sound well, but the great national and international combinations are driving the government into business," he said.

BENEFITS TOTAL $226,290

Chicago, March 29.—The men of this city expended $226,290.17 for benefits last year. This includes funeral, disability and old age benefits paid for sick members and funeral expenses. Since 1912 these benefits total $1,766,423.39.

Revolutions In Latin America Are Financed by Big Business

Washington, March 29.—If the numerous congressional probes now on in Washington only revealed the fact that South American revolutions are financed by big business, this publicity is worth much. This is the kind of "business" the investigations are injuring.

On the floor of the senate Mr. Herreld called attention to evidence before the senate oil probe committee that Doheny has personally contributed over $5,000,000 to one of these insurrections.

Senator Borah, who has been pleading that "the senate resume business," acknowledged that "something of that kind was brought out."

"But it seems that Doheny was following a long-established custom; he was not initiating any new policy," explained Senator Borah.

During the debate attention was called to a book just published by a French author which makes startling revelations as to what Americans do when they call for the protection of American lives and American property in Mexico and Central America.

The author states facts, figures, dates and individuals to support his claim that the fight in Mexico for the last 10 or 12 years has been a fight between individuals and oil interests organizing revolutions and supplying the means by which these insurrections could be carried on.

"The English interests, represented by Cowdray, and the Standard oil company, have actually organized and carried on revolutions there, and finally we get interested under the theory of protecting American lives and American property," senators declared.

"As a matter of fact, we are protecting or opposing a revolution which has been initiated, financed and carried on by people who, of course, are Americans, but who are down in a friendly country actually violating the laws of that country."

STOP MINE KILLINGS SAYS U. S. BUREAU

Washington, March 29.—Explosions of coal dust, such as have caused a toll of hundreds of lives in American mines within the past few years, can be greatly minimized by proper rock dusting methods, according to the bureau of mines.

George S. Rice, chief mining engineer of the bureau, recommends that rock dust be spread upon the floor of mines and upon the roof and sides of passageways. This method is compulsory in Great Britain, where, it is stated, no coal dust explosions have occurred in any part of a mine that has been thoroughly dusted.

Although the bureau of mines urgently recommends rock dusting, only a few mine owners in the United States have adopted the practice. The bureau says that the greatest stop coal dust explosions if the watering is done with absolute thoroughness. This method is used rarely, if ever, found watering so perfectly done that a coal-dust explosion would not follow certain conditions. In the cold dry months watering is effective for only a short time, because the air current rapidly dries the coal dust.

Between January 1, 1913, and December 31, 1923, there occurred 19 explosions in 16 of which coal dust was considered the contributing agent. In these explosions 630 lives were lost.

Already in 1924, at Johnson City, Ill.; Shankton, Pa., and Castlegate, Utah, mine explosions have cost more than 200 lives.

Commenting on this terrific toll, the bureau of mines says:

"The fact that the watering method was either used or supposed to have been used in these mines has convinced engineers of the bureau of mines that the watering method is not reliable."

ARMS CONFERENCE FAVORED BY HOUSE

Washington, March 29.—The house has gone on record in favor of another world arms conference. The proposal, if the meeting would consider limitation of submarine and surface craft of less than 10,000 tons, and aircraft.

The recent armament conference held in Washington resulted in a treaty that the public believed applied to naval strength. It is now discovered that it only applies to capital ships, and not to ships with a tonnage of less than 10,000 tons. As a result of this strict interpretation, Great Britain, Japan and America are limitately 25 and the United States 10.

In explaining the situation, Congressman Byrns of South Carolina said: "Before this country embarks upon a program of building cruisers, I propose, this country should go to the other naval powers of the world."

"We do not believe in this naval competition in auxiliary craft of less than 10,000 tons, and before we embark upon a program of building we want to complete with the navy of Great Britain and Japan in the construction of cruisers and submarines we want to meet you around the conference table and there arrive at an agreement limiting the number of cruisers and submarines and aircraft."

CUT STANDARD'S TAX; PROFITS ARE $9,000,000

Washington, March 29.—Evidence before the senate committee that is investigating the internal revenue bureau shows how corporations secure heavy tax reductions.

By employing a former bureau clerk the Standard oil company of New Jersey was able to have one tax assessment cut from $23,000,000 to $5,000,000.

The company's profits of this concern was more than $9,000,000 after all taxes and other charges were paid.

GARMENT WORKERS WIN

Waterbury, Conn., March 29.—Garment workers have won their strike for a 44-hour week. Formerly they worked 48 hours. The union was recognized, and there will be no wage reduction.

Mike Hayes of the city court dismissed Jacob Grossman, organizer of the United Garment Workers, who was charged with intimidation. The charge was such a palpable frame-up that the court declined to give it any consideration.

The strikers' victories are a bitter dose to the small group of anti-union employers. Their opposition to the trade union movement is reaching record proportions.

PRINTERS RAISE WAGES

Denver, March 29.—Newspaper printers have secured a wage increase of $4.50 a week through arbitration. The new scale is $44.50 for day work and $49.50 for night work. The award dates to last September and the printers will receive approximately $20,000 in back wages.

AUCTIONEERS PROVE COSTLY WAR BABIES

Washington, March 29.—The auctioneer has been given front rank among the war profiteers.

The ability to cry out: "How much am I bid? Going! Going! Gone!" calls for special remuneration, and these sales criers were paid enormous prices when the government's surplus war stocks were sold.

M. Fox & Sons, Baltimore, were employed 113 different days. The testimony shows that the firm did not pay for the advertising nor for any other expense of the sale.

This was all the auctioneer had to say: "How much am I bid? Last chance! Sold!" For this the firm received $230,370.72 for the 113 days.

The Baltimore charge is insignificant when the report on Gerth's realty experts of New York is considered. These "experts" do not belie their title. They were employed 18 days as ordinary laborers and the government paid them $206,110.08, or an average of $11,450.56 a day.

The Gerth firm seemed encouraged at its success, and later it charged $167,747.18 for four days' services.

The Louisville real estate and development company did its part, in raising the lowly auctioneer to a high estate. For one day's labor that could be done by any clerk in the war department, this concern was paid $24,-194.96.

More than a score of auctioneers were paid amounts ranging from $1,000 a day up to the higher figures indicated.

CONVICT LABOR ENDED IN TWO IOWA PRISONS

Des Moines, Iowa, March 29.—The state board of control has terminated the Reliance-Sterling company's contracts for convict labor in the Anamosa and Ft. Madison prisons. Chairman McColl of the board said the trade union movement was the main factor in ending these contracts.

Convict labor foes will continue their agitation, as it is feared that the convict labor forces will endeavor to secure a new contract.

DRESS STRIKE SETTLED; WORK WEEK REDUCED

Boston, March 29.—A 42-hour week, distributed over a five-day week, was won by organized labor yesterday after a three-weeks' strike. The workers compromised their 40-hour week demand.

TAX CRAZE REACHES LIMIT

Oklahoma City, March 29.—The craze to tax everything in sight has reached its limit. Now the state senators are called upon to pay a gasoline tax to build highways.

LARGE OIL PRODUCTION

Washington, March 29.—Director George Otis Smith of the United States geological survey makes the interesting statement that oil demands to-day are greater than during the world war period.

GENTLEMEN'S PACT FAVORS FOXY JAPS

Washington, March 29.—This country has tied itself up with Japan through a secret gentlemen's agreement that only the state department has information on, declares the house committee on immigration. The lawmakers insist that the agreement should be cancelled, as it gives Japan, instead of the United States, control over Japanese immigrants.

In its endeavor to find a solution of the question, the committee said, it has been handicapped by a "lack of information" as to the provisions of the gentlemen's agreement, access to which can not be had without Japan's consent.

The committee declared that the United States labor department, which is in charge of immigration, is not even in possession of the provisions of the agreement.

"This much is certain, as indicated by instructions to immigration officers at ports of entry," the committee continued. "Under the agreement, the United States bound itself to admit any Japanese who presents himself bearing Japan's passports, unless he is afflicted with contagious disease. Congressional prerogatives of regulating immigration from Japan have been surrendered to the Japanese government. That condition, coupled with the fact that the terms of the agreement are secret, would justify immediate cancellation of the agreement."

Secretary Hughes' proposal that Japan be placed on the same quota basis as other nations would prove most objectionable, in the opinion of the committee. As the law debars all Orientals, the committee shows that the Hughes' plan would discriminate in favor of Japan and against other Asiatic nations.

LABOR IS DEFENDED

San Juan, Porto Rico, March 29.—At a mass meeting that filled one of the largest public parks, protest was registered against the "persecution" by reactionary politicians who disregarded the rights of labor. The meeting was called for the day Santiago Iglesias, president of the Porto Rican federation of labor and member of the Porto Rican senate, arrived from the United States, where he was in the interest of the island's workers. Ovres than 5,000 people gathered at the steamship pier and escorted the trade unionist to the open meeting where the citizenship of workers was defended.

PROFITS IN RADIO

New York, March 29.—The Radio Corporation of America made a profit of $1,643,918 after providing for federal taxes, payment of patents, organization expenses, dividends on preferred stock and depreciation.

TEACHERS WILL MEET

Chicago, March 25.—Officers of the American Federation of Teachers, affiliated to the A. F. of L., have issued a call for their eighth convention, which will convene in this city beginning Monday, June 30.

WAR VETS AND ORGANIZED LABOR WOULD CHECK IMMIGRANT FLOOD

Washington, March 29.—John R. Quinn, national commander of the American Legion, and Samuel Gompers, president of the A. F. of L., present a joint attack on unrestricted immigration in the April issue of American Federationist.

In each case the danger to America that will result unless there is the strictest kind of immigration restriction is set forth.

The American Legion and the A. F. of L. agree upon the desirability of absolute stoppage of immigration for the present, but, in the absence of absolute stoppage, demand the strictest possible limitation. The joining of these two forces to combat propaganda for unrestricted immigration is an indication that the great masses of American people favor checking the inflow of Europeans.

"America must not be overwhelmed, said President Gompers in attacking the propaganda for unrestricted immigration. The trade union executive said immigration legislation is opposed by cheap-wage employers and by racial groups that want the doors left open for the influx of their countrymen, regardless of the menace to the people of their adopted country.

"It is now more possible to get alien groups to regard immigration as an American issue than it is to get a certain type of American employer to so regard it," said President Gompers.

"Employers regard it as an unemployment question and they have no more regard for American standards, American institutions or American principles in connection with the employment of alien wage earners than they have in connection with the purchase of raw materials.

"A great many employers, formerly hostile to restrictive legislation, see now more possible to get alien labor and changed their position as a result of the war. Not so with the racial groups.

"The plain truth is that the attitude of a large number of racial groups in the United States toward restrictive legislation furnishes the best and most complete reason for the absolute necessity of restrictive legislation. It appears to be the assumption of foreign-born groups in the United States that the peoples of the world have a right to come to the United States at will and that the people of the United States are imposing unfairly upon other peoples in placing any restriction upon these migratory tendencies. They seem unable to comprehend that immigration into the United States is a privilege which the United States has not only the power, but the absolute right, to confer or withhold as will best serve the present and future safety of the citizens of the United States.

"There is a certain measure of presumption in the campaign being conducted by the foreign alien groups in opposition to the enactment of restrictive legislation by congress."

Commander Quinn declares that the melting pot is impotent. "It did not take long for the Legion to discover that the new groups of immigrants is to a large extent a menace to American institutions," he said.

"American principles are established upon the marginal wage that American labor requires to maintain itself as the standard unit of American society. An influx of cheap labor is bound to undermine that standard of living.

"South Europe, if permitted unrestricted immigration, would flock to this country," declares Quinn, by millions, if not by hundreds of thousands. "Venizelos, the Greek statesman, said that America could solve the Near-East problem by permitting the 1,000,000 to 1,500,000 nationals there to emigrate to this country.

"Such a move might solve the Near-East problem, but I shudder to think what it would do to the country by lowering our standard of living."

OBJECT TO PROFITS IN INJURED WORKERS

Albany, N. Y., March 29.—Organized workers are massed in opposition against the private insurance companies.

At a conference in this city trade unionists of the state declared that the profit-taking insurance corporations have practically nullified the workmen's compensation law.

Profiteers have forced claimants into extensive litigation; they have impeded the law by long drawn out procedure in contesting the claims of injured and the widowed and orphaned. They have resorted to every tricky legal practice and claim agents' custom to defeat justice and secure more profits.

This policy of the companies does not benefit the employer. He pays no less for workers insured, and instead of meeting their obligations, the profiteers contest the claims of injured workers and of the widows of those who are killed.

The workers now demand that the profiteers be driven out of the compensation insurance business, and that the state be charged with this duty.

LET PROBES BE DEEP, SAYS ALABAMA EDITOR

Fairhope, Ala., March 29.—Editor Gaston of the Fairhope Courier calls on citizens not to accept the plea that Washington probes are "hurting business."

The corruption and indifference to official duty and the people's welfare that has already been exposed, shows that there can be nothing more important at the present time than to ferret out the guilty, says the editor.

"It is a thousand pities that such a duty has to be performed, but the fault does not lie with those who, against overwhelming difficulties, are bringing the truth to light."

Editor Gaston warns the people that if they fail to stand solidly behind the investigators, privilege will create a public opinion favorable to dropping the matter and permit everyone to escape.

WANT 40-HOUR WEEK

New York, March 29.—Hemstitchers and other workers in novelty shops who specialize in ladies' and dress trade in this city are on strike to secure a 40-hour week. The workers are organized and are affiliated with the International Ladies' Garment Workers' union.

NON-UNION EMPLOYES ECHO BOSSES' CLAIM

Philadelphia, March 29.—The company "union" of the Pennsylvania railroad sees no difference between a public utility and a private corporation.

In objecting to railroad legislation, this "union" declares that railroads have the right "to manage their own affairs as other industries do." The railroad management circulates this resolution, and contributes another misstatement in putting this title over the declaration: "What Employes and Think."

Resolutions of this character is the stuff that publicity agents and propagandists prepare for company "unions" to indorse.

There is no similarity between a private corporation and a public utility. A private corporation receives no favors from the state. Eminent domain and the police power can be applied for the benefit of a private corporation, as in the case of a railroad.

No argument is needed to maintain these marked differences, which are so well understood that it remains for a non-existent "union" to confuse its company "union" utter contrary sentiments and then announce to the world that these employes think.

PACKERS WIN SUIT

Washington, March 29.—Swift & Co., Chicago meat packers, have won their million-dollar suit in the court of claims against the government. The decision is a precedent for similar claims by other packers.

During the war the government contracted with the packers to produce a "cured" bacon not of the ordinary commercial nature. After the armistice was signed, the packers continued producing this bacon. No one in Washington had heard of this story and, therefore, they had no official knowledge that the war was over.

Now the packers want millions because of this oversight that has proven most profitable to the packers.

BUS MEN'S WAGES UP

Everett, Wash., March 29.—Members of the Street Car Men's union who are employed as busmen in this city have secured increases through arbitration. The new scale dates back to February 1 and the increase is for six months' periods of service. The first six months is from 48 cents to 55 cents per hour; second period, 52 to 58 cents; fourth, 52 to 61 cents; more than two years' service, 56 to 61 cents.

Wall Street Sings Poverty Song While Profit Records Are Made

New York, March 29.—Profits of industrial corporations in the country are amazing all peace-time records, though the public is supposed to accept the mournful poverty pleas that come out of Wall street.

The steel trust reports a surplus net income of $54,259,993, after all charges and dividends have been met.

The Westinghouse air brake company reports net profits of $9,783,507, after healthy amounts were set aside to pay for taxes, depreciation and depletion. This does not include with profits of $10,000,000 that were put back into the business in the form of stock dividends. The previous year's profits were $6,964,915.

A net profit of $4,357,708 is reported by the Harbison-Walker refractories company. This is after all expenses and taxes have been paid and is against $3,507,233 the previous year.

The Columbia gas and electric company reports a clear profit of $1,071,-004 for February of this year. In January of this year the American waterworks and electric company made a clear profit of $1,332,907.

The reason for numerous scandals associated with petroleum is indicated by the Phillips petroleum company's report. Last year this concern made a profit of $12,452,030, after interest and taxes were cared for. These startling figures are against a profit of $9,200,035 the previous year.

The North American company, a holding company for public utility corporations throughout the country, has a net profit of $9,885,458, after all taxes, interest, depreciation and other charges have been met. This is equal to $3.11 on every $10 share of common stock.

The California petroleum corporation shows a net profit of $6,104,498, after interest, depreciation, depletion, federal taxes, fancy salaries and other charges were met. This compares with a profit of $3,655,594 the previous year.

Dividend payments by the 39 companies reporting earnings to the trade group during the first three months of the present year aggregate $34,-975,866. This is an increase total for any three months since the United States supreme court "smashed" the oil trust in 1911.

May department stores company broke all records with its net profit of $6,695,642. This company, with subsidiators are called upon to pay a gasoline tax to build highways.

LARGE OIL PRODUCTION

Washington, March 29.—Director George Otis Smith of the United States geological survey makes the interesting statement that oil demands to-day are greater than during the world war period.

CO-OP. BUILDING IS POSSIBLE; REAL ESTATE MEN SHOW WAY

New York, March 29.—The state association of real estate boards favor legislation designed to provide for the co-operative construction and ownership of flat and apartment houses for workers.

This is based on the report of a special committee appointed by Acting Mayor Murray Hurlbert to survey the housing situation. The real estate men say it is impossible under present laws to build co-operative apartments. M. Morgenthau, jr., chairman of the real estate men's committee, says:

"The suggested legislation makes use of building and loan associations, the only type of organizations under the strict supervision of the state banking department, to finance the buildings and permits to be owned and occupied by wage earners. The theory of the building and loan association is very simple. Workers may organize such an association and agree to deposit their savings with it. When enough savings are sufficient they are loaned to one of the members for the construction of a home.

"To make a larger fund more quickly available, shares in the association are also sold to those who are looking for only a safe investment, and the shares they buy can be cashed at any time. Now there is no reason why—if the men who organize the building and loan association wish to provide for their homes under one roof—this can not be done by the same methods.

"They could incorporate a company, purchase the ground, contract for the erection of a flat or an apartment house, and agree to sell the appropriate amount of shares in the company in accordance with the number of rooms or floors which they desire to occupy. The apartment house company would then borrow from the building and loan association 75 per cent or less of the cost of the land and building which, under the present law, is limited to 75 per cent of the conservative value.

"This mortgage would be jointly and severally guaranteed by the 25 or more co-operators, who would each pay 1 per cent of their share monthly to the building and loan association. This would provide enough money to pay 6 per cent interest and to liquidate the indebtedness in the conservative process of the property in a period of about 12 years. At present building and loan associations are not permitted to make such loans, but there is no reason why they should not be allowed to do so. Our present laws make provision for such procedure with proper legal and banking safeguards."

Mr. Morgenthau suggests that men who co-operate in the building of apartment houses are not interested in speculative values, but are interested in securing a home. This, he says, is the main reason why the co-operative apartment has become so popular in fashionable residential sections.

The wage worker can use the same method and thus solve the housing problem, said Mr. Morgenthau.